

Testimony on House Bill 4597 - 4600
Mental and Substance Abuse Health Parity
June 16, 2009

Good Morning, Mr. Chairman and members of the Committee:

I am Maxine Thome, Executive Director, of the Michigan Chapter of the National Association of Social Workers, which represents almost 7,500 licensed social workers in the State. On behalf of our members and the populations they serve, I am strongly urging you to support House Bills 4597 - 4600, which would end discrimination, restrictions, and limitations on coverage for mental health care. Social workers, the professionals who provide most of the mental health services in Michigan, know first hand how costly, in personal tragedy and wasted tax dollars, untreated mental illness can be.

The statistics are sobering. One of every five Americans is experiencing a mental disorder. One of every three families is affected at some point by psychiatric conditions such as depression, addiction disorders, and schizophrenia. Today's scientific technology has shown that these conditions are brain disorders, not character flaws, and everyday experience shows that these conditions know no social, economic, educational, or ethnic restrictions.

Despite the widespread existence of mental disorders in our nation, significant insurance discrimination exists against persons experiencing such conditions. The U.S. Bureau of Labor Statistics has reported that 96% of insurance plans impose limits on mental health care that they do not impose on physical health care. The discrimination is shown in fewer benefits, higher co-pays and deductibles, fewer outpatient visits and inpatient days, and lower allowable annual and lifetime expenditure limits for mental health patients.

Highly effective treatments exist today for many biological brain disorders, with success rates often greater than treatment of other medical conditions. In fact, almost every economic study by accounting firms, government agencies, and private institutions in recent years has demonstrated that the direct, short-term cost of mental health insurance equality (or parity) to employers and insurers is miniscule. Governmental action requiring parity creates a large enough pool of covered individuals that the insurance risk is widely spread and the costs are very low. Further, these studies find that any negligible direct cost of parity is more than offset by increased employee productivity, decreased absenteeism, less use of high cost emergency rooms and medical resources and other cost savings benefits to employers, insurers and society as a whole.

Six years ago, I testified before the Senate Health Policy Committee in support of mental health parity bills, which at that time were sponsored by Senator Bev Hammerstrom. NASW-MI submitted letters that stated some persuasive statistical reasons for the importance of providing for mental health parity. The Committee also heard from a member of our board of directors who had traveled to New York immediately after 9/11 to help the survivors, victims' families, and first responders. She eloquently recounted her own experiences in attempting to find treatment for her post traumatic stress disorder, efforts made that much more difficult by the lack of mental health and substance abuse parity.

The statistical reasons for parity that we presented six years ago have not disappeared. Nor have the personal stories. If anything, the need for parity has become more urgent as those who were suffering in 2003 have endured six more years of mental and emotional pain, and the costs to society of untreated mental illness and other disorders have continued to increase when the state and society can least afford it. It is time for this inexcusable discrimination to stop and for Michigan to join the 42 other states that have adopted some form of mental health and substance abuse insurance parity legislation.

If it is true that an ounce of prevention is worth a pound of cure, then these bills would do much to provide that ounce of prevention that is so important to restoring and maintaining the mental and emotional health of our citizens and the vitality and productivity of our society.

Please support House Bills 4597 through 4600. Thank you. I would be happy to answer any questions you may have.

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